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इस भाग में भिन्न पृष्ठ संख्या दी जाती है जिससे कि यह अलग संकलन के रूप में रखा जा सके
Separate paging is given to this Part in order that it may be filed as a separate compilation.

MINISTRY OF LAW AND JUSTICE

(Legislative Department)

New Delhi, the 15th July, 1972/Asadha 24, 1894 (Saka)

THE INCOME-TAX (AMENDMENT) ORDINANCE, 1972

No. 7 OF 1972

Promulgated by the President in the Twenty-third Year of the Republic of India.

An Ordinance further to amend the Income-tax Act, 1961 and to provide for barring, in the computation of total income in respect of certain assessment years prior to the assessment year 1962-63, deduction of amounts paid on account of wealth-tax.

WHEREAS Parliament is not in session and the President is satisfied that circumstances exist which render it necessary for him to take immediate action;

NOW, THEREFORE, in exercise of the powers conferred by clause (1) of article 123 of the Constitution, the President is pleased to promulgate the following Ordinance:—

Short title and commencement.

1. (*1*) This Ordinance may be called the Income-tax (Amendment) Ordinance, 1972.

(*2*) It shall come into force at once.

Act 43 of 1961 to be temporarily amended.

2. During the period of operation of this Ordinance, the Income-tax Act, 1961 (hereinafter referred to as the principal Act) shall have effect subject to the amendments specified in sections 3 and 4.

Amendment of section 40.

3. In section 40 of the principal Act, after sub-clause (*ii*) of clause (*a*), the following sub-clause shall be, and shall be deemed always to have been, inserted, namely:—

'(*iia*) any sum paid on account of wealth-tax.

Explanation.—For the purposes of this sub-clause, "wealth-tax" means wealth-tax chargeable under the Wealth-tax Act, 1957 or any tax of a similar character chargeable under any law in force in any country outside India or any tax chargeable under such law with reference to the value of the assets of, or the capital employed in, a business or profession carried on by the assessee, whether or not the debts of the business or profession are allowed as a deduction in computing the amount with reference to which such tax is charged, but does not include any tax chargeable with reference to the value of any particular asset of the business or profession;'. 27 of 1957.

Amendment of section 58.

4. In section 58 of the principal Act, after sub-section (*1*), the following sub-section shall be, and shall be deemed always to have been, inserted, namely:—

'(*1A*) The provisions of sub-clause (*iia*) of clause (*a*) of section 40 shall, so far as may be, apply in computing the income chargeable under the head "Income from other sources" as they apply in computing the income chargeable under the head "Profits and gains of business or profession".'.

Wealth-tax not deductible in computing the total income for certain assessment years.

5. Nothing contained in the Indian Income-tax Act, 1922 shall be deemed to authorise, or shall be deemed ever to have authorised, any deduction in the computation of the income of any assessee chargeable under the head "Profits and gains of business, profession or vocation" or "Income from other sources" for the assessment year commencing on the 1st day of April, 1957 or any subsequent assessment year, of any sum paid on account of wealth-tax. 11 of 1922.

Explanation.—For the purposes of this section, "wealth-tax" shall have the same meaning as is assigned to it in the *Explanation* to sub-clause (*iia*) of clause (*a*) of section 40 of the principal Act.

Saving.

6. Where, before the commencement of this Ordinance, the Supreme Court has, on an appeal in respect of the assessment of an assessee for any particular assessment year, held that wealth-tax paid by the assessee is deductible in computing the total income of that year, then, nothing contained in sub-clause (*iia*) of clause (*a*) of section 40, or sub-section (*1A*) of section 58, of the principal Act, as amended by this Ordinance, or, as the case may be, section 5 of this Ordinance, shall apply to the assessment of such assessee for that particular year.

V. V. GIRI,
President.

K. K. SUNDARAM,
Jt. Secy. to the Govt. of India.

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